

ADDENDUM TO SUPPLEMENT 9 TO ATTACHMENT 2.6-A

OFFICIAL

TN No. 85-5
Supersedes
TN No. _____

1-17-86
Approval Date

4/1/85
Effective Date

OFFICIAL

Transfer of Property/
Disposition of Assets

Applicants must not have transferred or otherwise divested themselves of real or personal property without fair consideration or in order to qualify for assistance. The State has elected to impose a requirement that an applicant must not have transferred or disposed of or assigned assets within three (3) years prior to application.

A. Transfer of property is considered to be made, if:

1. Title or ownership has passed from applicant to another individual
2. Access is given through joint ownership
3. Instrument of transfer title at some future date is completed and delivered to the individual who is to receive title.

B. Types considered:

1. Transfer of bank, credit union or other similar financial institutions' funds.
2. Stocks or bonds
3. Cash or other assets which applicant may own
4. Countable real property

Individuals who have transferred resources without fair market value consideration and/or for the purpose of qualifying for assistance, with three (3) years will be ineligible to receive assistance for two years from the date of transfer. Only those resources which would be countable in the category application is being made in are considered, and only if they exceed the resource limit in effect at the time of transfer. Ineligibility applies to the entire assistance group for financial/medical assistance.

Factors used to establish transfer of assets at less than fair market value and to qualify for assistance (this is not an all inclusive list):

1. Timeframe between transfer and application.
2. Individual's health at time of transfer.
3. Individual's economic situation at transfer, e.g., income, resources, expenses.
4. Transfer to prevent foreclosure or sale.
5. Sale or transfer in order to meet expenses, e.g., repair, taxes, maintenance or to live off proceeds.
6. Transfer to meet the terms of written or verbal agreements which would be recognized as a legal contract in a court of law.

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EFF

1/7/86

APPROVED

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The burden of proof for substantiating the fact that the transfer of resources was not for the purpose of qualifying for assistance, rests with the applicant. If the applicant is unable to substantiate, fails or refuses to prove the transfer was not made to qualify for assistance, the State will assume that the transfer was for that purpose.

Policy sections are attached only for HCFA documentation file.

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